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Eradicating poverty in all its forms and dimensions through promoting sustainable development, expanding opportunities and addressing related challenges

Report of the Secretary-General

Summary

Although the prevalence of extreme poverty has steadily declined in recent decades, the total number of people living in extreme poverty remains unacceptably high. Non-income dimensions of poverty and deprivation, the result of working poverty and lack of access to decent work, basic health services and natural resources, remain pervasive. Many of those who have escaped poverty in the past 15 years live precariously close to the poverty line, and inequalities have been increasing in many countries.

The present report, provided in response to Economic and Social Council decision 2017/208 and General Assembly resolutions 61/16 and 68/1, discusses such challenges in the context of the 2030 Agenda for Sustainable Development and the integrated and indivisible Sustainable Development Goals. The report identifies current trends related to the achievement of Goal 1, while also exploring the interlinkages of Goal 1 with other Goals and targets in line with an integrated approach to multidimensional poverty. It also analyses the potential to build synergies for poverty eradication across the economic, social and environmental dimensions, while recognizing the need for diverse strategies in countries facing different development challenges.

National efforts will need to be reinforced by a robust multilateral system capable of steering international cooperation on systemic challenges and opportunities. The Economic and Social Council system is a platform for such international coordination, building on the analytical and normative expertise found across its subsidiary and expert bodies, segments and forums, as well as its strong multi-stakeholder status.

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I. Introduction

1. The prevalence of extreme poverty continues its decades-long descent. Between 2000 and 2015, over 1 billion people were lifted out of extreme poverty, including in some of the poorest countries in the world. This represents one of the fastest rates of worldwide poverty reduction in human history.

2. Yet the total number of persons living in extreme poverty — more than 767 million in 2013 — remains unacceptably high.[1] Around the world, 1 in 8 people live on less than $1.90 a day (see E/2016/75). Poverty is also becoming increasingly concentrated in certain regions, where its depth and breadth remain an overriding challenge. While there has been a reduction in income poverty, non-income dimensions of poverty and deprivation, such as access to quality education or basic health services, remain pervasive. The number of people remaining in poverty, the unevenness in shared prosperity and the consistent disparities in non-income dimensions of development persist.

3. Eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development. This is captured by and a central element in the 2030 Agenda for Sustainable Development, which, together with the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, the Paris Agreement under the United Nations Framework Convention on Climate Change, and the Sendai Framework for Disaster Risk Reduction 2015-2030, provide a comprehensive global framework for eradicating poverty and advancing sustainable development.

4. Poverty eradication is a primary, overarching goal of the 2030 Agenda. Through its adoption, Heads of State and Government around the world resolved to free the human race from the tyranny of poverty and to heal and secure our planet. The first Sustainable Development Goal is to "End poverty in all its forms everywhere". Its seven associated targets include, among others, eradicating extreme poverty for all people everywhere, reducing at least by half the proportion of men, women and children of all ages living in poverty, and implementing nationally appropriate social protection systems and measures for all.

5. To support poverty eradication and the achievement of the 2030 Agenda, the main theme of the 2017 session of the Economic and Social Council is "Eradicating poverty in all its forms and dimensions through promoting sustainable development, expanding opportunities and addressing related challenges". As part of the implementation, follow-up to and review of the Agenda, the Council selects an annual main theme through which it advances the balanced integration of the three dimensions of sustainable development.

6. The Economic and Social Council ensures the alignment of its annual main theme and the corresponding annual theme of the high-level political forum convened under the auspices of the Council, so as to foster coherence. The 2017 theme of the forum is "Eradicating poverty and promoting prosperity in a changing world". The forum also discusses a set of Sustainable Development Goals and their interlinkages, with a view to facilitating an in-depth review of progress. The Goals to be reviewed in 2017 are Goals 1, 2, 3, 5, 9 and 14. The 2017 session of the Council culminates in July 2017 with the convening of the forum under the auspices of the Council, the high-level Segment of the Council and the adoption of the joint ministerial declaration of the high-level segment and the high-level political forum.

[1] According to World Bank data, available from www.worldbank.org/en/topic/poverty/overview.

7. The present report addresses the main theme of the Economic and Social Council for 2017. It identifies current trends, opportunities and challenges related to the achievement of Sustainable Development Goal 1 as part of the overall implementation of the 2030 Agenda. It also analyses the potential to build synergies for poverty eradication across action taken in the economic, social and environmental dimensions, while highlighting diverse strategies that could be taken by countries facing different national contexts and challenges. In the global context, it identifies systemic challenges and opportunities that require greater international cooperation and action.

8. The report builds on the preparatory process for the 2017 session of the Council, combining analytical contributions from the Economic and Social Council system and the United Nations development system with inputs from stakeholder engagement in segments and forums of the Council and with the Council system. Recent innovations in poverty eradication will be highlighted on the basis of the substantive contributions arising from the Council's work on the theme during its 2017 session.

9. The report should be read in conjunction with the report of the Secretary-General for the thematic discussion of the 2017 session of the Council, "Beyond gross domestic product: multidimensional poverty and the Sustainable Development Goals" (E/2017/69).

II. Poverty in the context of the 2030 Agenda

A. Unfinished business of poverty reduction

10. In spite of the gains achieved, progress in poverty reduction has been uneven and inequalities remain. During the period between 2000 and 2015, in the context of work to achieve the Millennium Development Goals, many of the people who moved above the international line for extreme poverty had previously been living just below it. Small increases in income from economic growth or government transfers were often sufficient to pull households over the threshold.

11. In the framework of the Sustainable Development Goals, concerted efforts are needed to lift remaining populations out of extreme poverty. Of those still living below the international extreme poverty line, far fewer live just below the line than before and they are poorer and more difficult to reach.

12. Many of those who escaped poverty in the past 15 years still live precariously near the poverty line, and are susceptible to shocks that could push them back into poverty. Increasingly, global interconnectedness exposes people to such setbacks, particularly those resulting from volatile capital flows, global market fluctuations and climate patterns, as well as deadly natural disasters, conflicts and displacement resulting therefrom.

13. Another underlying challenge to the achievement of the Sustainable Development Goals is growing inequality. Many societies have witnessed growing disparities in wealth, incomes and outcomes across key indicators. Even in countries that experienced impressive reductions in poverty in the framework of the Millennium Development Goals, inequality has been a challenge. More than 75 per cent of people in developing countries live in societies where income was more unequally distributed in 2010 than it was in 1990.[2] Rising inequalities were also prevalent in developed countries during that period.

[2] United Nations Development Programme (UNDP) *Humanity Divided. Confronting Inequality in Developing Countries*, 2014.

14. Entrenched inequalities can make it more difficult to eradicate poverty. A recent study comparing the world's most equal and unequal countries found that a 1 per cent increase in incomes in more unequal countries produced a 0.6 per cent reduction in poverty, while the same increase in more equal countries yielded a 4.3 per cent cut in the poverty rate.[3]

B. Synergies and integrated implementation of the Sustainable Development Goals

15. The broadening of the development agenda, including the adoption of the Sustainable Development Goals, is a significant transformation in global development policy. Actions to achieve poverty eradication and sustainable development are interdependent and require integrated policy responses that maximize opportunities for synergy and balance trade-offs.

16. As a result, the demand for policy integration has grown significantly. Integration is at the core of sustainable development; no longer can policy decisions in the economic, social and environmental dimensions be made in isolation. Policy integration needs to be carried out within and across sectors and be supported by policy coordination and coherence among national, regional and global development efforts.

17. For example, there are synergies among efforts towards eradicating poverty through expanding education, ensuring gender equality and enhancing women's employment. Women who participate in the workforce have been shown to reinvest their income in improved nutrition, health and education for household members, thus increasing living standards and reducing non-income poverty. Better nutrition and reduced rates of infant, child and maternal mortality are among the social gains from integrated employment policies that take into account the gender dimension.

18. In the context of the Sustainable Development Goals, Goal 1 is directly connected to 10 other Goals. Such connections create the potential for synergies and the integration of a broad range of relevant policies. During the high-level political forum on sustainable development, in 2017, policy integration will be discussed in detail, particularly how best to achieve synergy between Goals 1, 2 (ending hunger), 3 (health and well-being), 5 (gender equality), 9 (industry, innovation and infrastructure) and 14 (marine resources).

19. What such interlinkages demonstrate is that policy integration in the context of the Sustainable Development Goals is a more complex undertaking than in the context of the Millennium Development Goals. Achieving sustainable food production, for example, requires a host of linked activities, such as agronomic interventions to boost yields, investment in rural infrastructure, greater efficiency in water use and better choices in allocating additional land to agricultural production. Other development challenges, such as sustainable urbanization, the protection of biodiversity and the shift to low-carbon energy systems, also require similarly complex integrated policies and approaches.

20. Policy integration will also need to be pursued by all actors and stakeholders. An important challenge will be to ensure that the efforts of the growing diversity of development actors are effectively aligned to support policy integration, including within a revitalized global partnership for sustainable development. South-South cooperation among Governments has especially come to the fore as a significant

[3] See UNDP, "Ending poverty by 2030: UNDP's perspective and role", issue brief (March 2016), and Martin Ravallion, "How long will it take to lift one billion people out of poverty?", *World Bank Research Observer*, vol. 28, No. 2 (August 2013), pp. 139-158.

force in development, and the number and type of public and private actors involved in development is also likely to continue to grow.

C. Dynamic nature of poverty

21. In many people's experience of poverty, it is dynamic in nature. Shocks of various types affecting household incomes and expenditures cause households to move in and out of poverty. In some countries, repeated, temporary durations spent living below the poverty line are experienced by a broad cross-section of society.

22. The likelihood of exposure to poverty and other deprivations, and the capacity to exit poverty, depend not only on the nature of shocks affecting individuals or households, but also on the initial position of households in terms of assets and income and access to goods and social protection. When faced with health risks or other shocks, people with limited savings or assets may be unable to cope and are often pushed into poverty. This is observable in both developing and developed countries.

23. Estimates indicate that between 20 per cent and 60 per cent of people who escape poverty tend to fall back into poverty within 4 to 10 years, and close to 900 million people worldwide are vulnerable to falling into poverty as a result of crises, whether financial, natural or otherwise (see E/CN.5/2017/3). In addition, people who have escaped poverty according to income measures could remain relatively poor in their local context or in terms of acute deprivations in health, education and standard of living.

24. Such data suggest that different strategies should be applied to confront extreme poverty, prevent impoverishment and sustain the progress of those who escape extreme poverty. Differentiated policies according to the transitory or permanent nature of the deprivations being faced are essential to any national plan for poverty eradication. Ideally, a mix of instruments would be used to protect against shocks, improve the circumstances of households, including through expanded opportunities, and support permanent exits from poverty.

25. Another example of the dynamic nature of poverty relates to food and food security. In order to address food-related shocks, it is essential to provide support to smallholders, family farmers, rural women, indigenous communities, youth and vulnerable or marginalized people. Eradicating hunger and lifting people out of poverty by 2030 requires a combination of pro-poor investments in sustainable agriculture, rural development and social protection measures to mitigate food shocks.

26. Population trends can have a critical impact on the eradication of poverty, affecting incomes and structures that may cause people to move in and out of poverty. Poverty can be influenced by, and have an influence on, population dynamics, including population growth, age structure and rural-urban distribution.

D. Social and geographical distribution of poverty

27. While poverty can be dynamic, a lesson from the experience of implementing the Millennium Development Goals is that it can also be concentrated among particular social groups and geographical areas. Knowing who the poor are and where they live is a key element in the eradication of poverty.

28. In particular, there are two large segments of the global poor at particular risk of being bypassed by efforts to eradicate poverty. The first are those who live in

"pockets" of extreme poverty and have been left behind as the result of market or governance failure, exclusion or discrimination. The majority in this category live in middle-income countries that have high average rates of progress on poverty reduction. Many live in remote communities, largely disconnected from society, or belong to marginalized groups facing multiple sources of discrimination.

29. Those living in the poorest countries, many of which have been largely cut off from globalization, are the second at-risk population. A recent study identified 24 countries with both a high prevalence of extreme poverty and a poor track record of poverty reduction, and found that in this subset of countries, 265 million people are living in extreme poverty. Without strong partnerships and adequate and effective development cooperation, they face a high risk of being left behind by progress towards the Sustainable Development Goals. Extreme poverty is also increasingly concentrated in conflict-affected areas — of those 24 countries, 13 had peacekeeping missions in the decade between 2005 and 2015.[4]

30. Worldwide, nearly 80 per cent of the extreme poor live in rural areas and work in agriculture. Agricultural workers are over 4 times more likely to be poor relative to people employed in other sectors of the economy, owing to various factors, including low productivity, weak infrastructure and limited access to social services and social protection, especially among women. The rural working poor and their families constitute a high proportion of the hungry and malnourished. In addition, global challenges, such as climate change and migration, often affect rural areas.

31. At the same time, poverty is increasingly becoming urbanized; globally there were 881 million urban dwellers living in slums as of 2014, with limited or no access to shelter, basic urban services and social amenities.

32. Children are more likely to be poor than adults. In 2013, children under 18 accounted for half the global poor — almost 385 million children in total. In developing countries, children are more than twice as likely as adults to be living in households in extreme poverty, with 19.5 per cent of children estimated to live on less than $1.90 a day, compared to 9.2 per cent of adults. The youngest children are the worst off, with over 20 per cent of all children below the age of 5 in the developing world living in extremely poor households, and they are concentrated in certain parts of the developing world, namely sub-Saharan Africa and South Asia.[5]

33. Poverty is also one of the main threats to the well-being of older persons. The risk of old age poverty is more pronounced in developing countries. Older women are at much greater risk than older men. In both developed and developing countries, households headed by older women are more likely to live in poverty than those headed by older men.

34. In all of the above, people from minority groups are significantly overrepresented, including people with disabilities, ethnic and linguistic minorities and indigenous people. Of 33 developing countries, more than two thirds of education- and health-related poverty could be found among households where the head is a member of an ethnic minority group. Across 16 countries, the poorest women from disadvantaged ethnic groups were the most likely to have been left behind by progress in education and health.[6]

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[4] Laurence Chandy, Hiroshi Kato and Homi Kharas, eds., *The Last Mile in Ending Extreme Poverty* (Washington, D.C., Brookings Institution Press, 2015).

[5] United Nations Children's Fund and World Bank Group, "Ending Extreme Poverty: a Focus on Children", briefing note, October 2016.

[6] Tanvi Bhatkal, Emma Samman and Elizabeth Stuart, "Leave no one behind: the real bottom billion", ODI Briefing (London, Overseas Development Institute, 2015).

35. Pockets of poverty are also common in developed countries. Despite improvements in average living standards, in the richest countries there are still groups at high risk of being left behind by the latest advances in science, technology and innovation. For example, 80 per cent of Roma people in countries of the European Union were at risk of poverty in 2016.[7]

E. Assessing poverty eradication challenges in specific country groups

36. As extreme poverty declines globally, the regional poverty profile has been changing. This is a direct result of uneven progress, most visibly for sub-Saharan Africa, which is home to 41 per cent of the world's poor, or the equivalent of 389 million people, according to a World Bank analysis. Without an acceleration of current poverty reduction trends in sub-Saharan Africa, the achievement of Goal 1 is highly unlikely.[8]

37. In the least developed countries, many have seen increases in gross domestic product (GDP) as a result of their growing exports and an expanding consumer base. Yet their export growth is often based on primary commodities, which can expose them to shocks in global commodity markets and limit their options for translating export-led growth into poverty eradication and sustainable development. Capacity-building in manufacturing and trade are essential to diversifying economic performance and achieving a structural transformation that creates inclusive growth.

38. Landlocked developing countries face unique challenges. The dependence of such countries on other countries' transit systems for international trade compounds the challenges they face in developing industries and becoming better integrated into regional and global value chains. Landlocked developing countries will need to find new opportunities for cooperation on transit infrastructure and strengthened relations with neighbouring countries and regional partners.

39. Challenges for small island developing States include vulnerability to economic shocks and elevated exposure to natural hazards. Expressed as a proportion of social expenditure, expected annual losses from extensive disasters in low-income countries are 5 times higher than in high-income countries. For small island developing States, the threat of future natural disasters represents an existential threat.

40. World Bank estimates indicate that 2 billion people now live in countries where development outcomes are affected by conflict and violence. Extreme poverty will increasingly be concentrated in conflict-affected areas, rising from 17 per cent of the global total today to almost 50 per cent by 2030, as the rest of the world makes progress.[9] Addressing conflicts is a strategic priority that is critical to ending extreme poverty and promoting shared prosperity. It is also important as the global community works towards the implementation of Sustainable Development Goal 16 on peace, justice and strong institutions.

41. There has been an important shift in the global distribution of poverty to middle-income countries. In 1990, 93 per cent of the world's poor people lived in

[7] This figure in fact refers to the relative poverty measurement used in the European Union (people with levels of income per capita that are less than 60 per cent of the national median). See European Union Agency for Fundamental Rights, *Second European Union Minorities and Discrimination Survey: Roma — Selected findings* (Luxembourg, Publications Office of the European Union, 2016).

[8] World Bank Group, *Poverty and Shared Prosperity 2016: Taking on Inequality* (Washington, D.C., World Bank, 2016).

[9] According to World Bank estimates, available from www.worldbank.org/en/topic/fragilityconflictviolence/overview#1.

low-income countries. Now, more than 70 per cent of the world's poor live in middle-income countries, mainly in sub-Saharan Africa and South Asia. A majority of the world's poorest people now live in countries that moved from low-income to middle-income country status after 1999.

42. An increase in poverty has also been recorded in developed countries. It is estimated that, in 2012, over 300 million people in developed countries were living in poverty, defined in relative terms on the basis of incomes representing less than 60 per cent of the median income.[10]

F. Employing data and the data revolution

43. It is essential to know who the most vulnerable people are, in order to ensure no one is left behind. Such data are crucial for expanding people's opportunities and providing pathways towards sustainable development. The 2030 Agenda is explicit about the need for quality, accessible and timely data, which are the foundation for sound decision-making. Efforts to achieve the Millennium Development Goals demonstrated the importance of statistically robust indicators for tracking progress towards the achievement of concrete and time-bound goals. The pursuit of those Goals also showed the value of using data to galvanize development efforts, implement targeted interventions and improve accountability. As a result, the 2030 Agenda underlines the importance of energizing efforts to increase the production and use of development data.

44. Despite improvements, there are large gaps in the quality and availability of data. The poorest and most vulnerable people often remain invisible. In sub-Saharan Africa, where poverty is most severe, about 60 per cent of countries lack adequate data to monitor poverty trends. Worldwide, it is estimated that the births of nearly 230 million children under the age of 5 were never registered, approximately one quarter of all children under the age of 5. Children unregistered at birth or lacking identifying documents are often excluded from access to education, health care and other essential services.

45. A lesson from the work towards the Millennium Development Goals is that national averages can sometimes obscure disparities. For this reason, wherever possible and relevant, indicators should be disaggregated by gender, age, ethnicity, and other vulnerability criteria, including geographic location.

46. The dearth of disaggregated data in most countries has resulted in inadequate information on who is being left behind. The lack of disaggregated data on Millennium Development Goal 1, on poverty reduction, for example, presented numerous challenges in terms of monitoring progress in gender equality, as income poverty measures are often calculated assuming that household resources are distributed equitably among its members. Such measures do not indicate the gender dimensions of poverty, such as the unequal sharing of household resources or unequal access to public services. National statistical systems are also often unable to provide the data needed to monitor the risks of poverty and of exclusion from decent employment or social protection systems.

47. Monitoring progress as regards poverty eradication and sustainable development requires a data revolution, through investment in data and strengthening statistical capacity, especially through national statistical systems in developing countries. Such a revolution is a joint responsibility of Governments, international and regional organizations, the private sector and civil society.

[10] International Labour Organization, *World Employment Social Outlook 2016: Transforming jobs to end poverty* (Geneva, International Labour Office, 2016).

Enhanced coordination and collaboration between national statistical systems, regional and international organizations and stakeholders from civil society, academia and the business community is essential in order to strengthen capacities to contribute to the follow-up to and review of the 2030 Agenda at the local, national and international levels. Along with the integration of data from new technologies with traditional data, new sources of data should be employed to produce relevant high-quality information, with more detail and at higher frequencies to foster and monitor sustainable development.

III. Policy actions for eradicating poverty

A. Economic opportunities

Pursuing inclusive, broad-based growth that delivers opportunities for all

48. Poverty eradication in the context of the 2030 Agenda will require high and sustained economic growth (Sustainable Development Goal 8) as well as sustainable industrialization (Goal 9), especially in the least developed countries. Persistent poverty, coupled with high and widening inequality, threatens to undermine prospects for future growth and weakens the impact of growth on poverty eradication.

49. A lesson learned from the framework of the Millennium Development Goals is that coherent strategies are needed at the national level to support inclusive, broad-based growth. Specific actions to help the poor manage risk are also necessary for improving the inclusiveness of growth and enabling pro-poor trade and investment.

50. Macroeconomic policies constitute a critical part of poverty eradication through promoting economic growth and providing macroeconomic stability that reduces the effects of economic shocks. Negative shocks have a larger impact on poverty in absolute terms.

51. Investment in a more diversified economic and trade base will build resilience in developing countries, especially the least developed countries and other countries in special situations. The private sector can be a transformative partner in reducing poverty and inequality and in ensuring the sustainable management of natural resources for the achievement of the Sustainable Development Goals. The private sector can create decent work opportunities, as well as offer skills training and higher incomes, and provide access to knowledge, technology and innovation.

Creating employment and decent work

52. Central to poverty eradication efforts is the creation of decent work for all, as outlined in Sustainable Development Goal 8. In the context of the 2030 Agenda, economic transformation will be built on an increase in productive work opportunities that ensure workers can fulfil their potential with dignity and respect. This can propel a growth dynamic oriented towards poverty eradication by increasing productive capacity, enabling a rise in incomes, expanding private sector investment and strengthening government tax revenues and increased public investment in the provision of social services and physical infrastructure. Technological change, a key element of the envisaged economic transformation, presents both opportunities and challenges in supporting inclusive labour markets.

53. Labour market inequalities and exclusion lie at the heart of the challenge of poverty eradication. This is because weak or limited employment opportunities negatively affect income and, in many cases, access to social protection schemes, many of which are linked to the formal labour market. As a result, people without

decent work face higher risks of poverty, vulnerability and social exclusion. People with unequal labour market status, including women, youth, migrants, persons with disabilities, the long-term unemployed and ethnic and other minorities, are particularly vulnerable to such risks.

54. In 2016, 3 out of 10 working women and men in emerging and developing countries, some 783 million people, were unable to earn enough to lift themselves and their families above the moderate poverty threshold of $3.10 per day. Young people (aged 15 to 24) account for a disproportionately high share of the working poor. On current growth trends, working poverty rates will decline in 2017 and 2018, but at a slower pace than in the previous 25 years.

55. In developing countries, the informal economy accounts for between 35 per cent and 90 per cent of total employment. Informal work reflects the very diverse realities of wages and self-employment worldwide. For workers, informal employment often means low pay and limited access to legal and social protection and resources.

56. Rural poverty is widespread, particularly in South Asia and Africa. Transforming rural work so that it offers sustainable livelihoods and an end to hunger, as called for in Sustainable Development Goal 2, requires integrated policy strategies and coordination between different government ministries. A robust and increased mandate for local governments, including in rural areas, to fight poverty is also needed, in particular through a focus on creating employment opportunities.

B. Social protection systems, including social protection floors

57. Social protection systems, including social protection floors, have a fundamental role in eradicating poverty by reducing economic insecurity and social exclusion, as set out in target 1.3 of the Sustainable Development Goals. Social protection can therefore help sustain long-lasting development and reduce the impact of economic fluctuations.

58. The International Labour Organization estimates that 73 per cent of the world's population does not have adequate social security.[11] Social protection expenditure is an investment in human and social infrastructure that complements physical infrastructure and adequate sectoral policies in building and expanding productive capacities, while supporting incomes and domestic demand structurally and over economic cycles.

Social protection floors

59. The income security provided by social protection systems improves the livelihoods and resilience of many people across income groups and opens up opportunities for education, geographical mobility, employment and, therefore, current and future income prospects.

60. Ensuring universal access to social protection systems, including by establishing and maintaining, as applicable, nationally determined social protection floors, is not only important for assisting those living in or vulnerable to poverty, but is also a factor that helps to stabilize the economy, as well as maintain and promote employability.

61. Work by experts at the United Nations University has shown that specific policies in the form of social protection will pay off not only in the short term by

[11] International Labour Organization, *World Social Protection Report 2014/15: Building economic recovery, inclusive development and social justice* (Geneva, International Labour Office, 2014).

contributing directly to the reduction of poverty, but also in the long term through indirect effects in terms of enabling households to invest in human capital and productive assets. Moreover, inequalities can be reduced as people move up the income ladder over time. The rate of return for social protection policies is positive.[12]

62. There is increasing attention paid to universal or unconditional basic income as a way of supporting people in meeting their basic needs and living in dignity. Such measures could play an essential role in promoting resilience in the light of rapid technological change and the related likely disruptions to labour markets. There are or have been a number of pilot projects that have been developed in a wide range of countries, including the current scheme operating in Finland, as well as previous experiences in India, Mongolia and Namibia.

Ensuring essential health-care services

63. Ensuring essential health-care services reduces the burden of disease and contributes to poverty eradication. Health interventions contribute to poverty reduction in several ways, including through declines in the rates of child and adult mortality and increases in the level of educational attainment, in adult labour supply, productivity and efficiency and in access to high-quality health care. Improvements in life expectancy can also incentivize individuals and families to invest more in education and skills acquisition, thereby contributing to long-term economic growth and poverty reduction.

64. Reductions in the burden of disease can result in significant savings in public spending on health, freeing funds to be invested in other critical areas such as infrastructure development or agriculture. Reducing levels of poverty should contribute to good health outcomes, which contribute to growth.

65. In order to reduce poverty, countries should ensure sustained investments in primary care and public health measures and access to services, including large-scale child vaccination interventions, ophthalmic care and treatment for chronic non-communicable diseases, malaria and HIV/AIDS. Such interventions help to dismantle intergenerational health-based poverty traps that weaken levels of school attendance and participation among children or affect labour force participation and earnings among adults.

66. International evidence also points to the importance of rising per capita incomes in improving health outcomes, such as those relating to child mortality and life expectancy.[13] Other important country-specific factors that have a bearing on poverty and health outcomes include patterns of income distribution, the diffusion of low-cost health technologies and interventions, access to clean water and sanitation, levels of schooling and the status of women.

67. Nearly 40 per cent of people around the world are without any form of legally mandated health coverage. Target 3.8 of the Sustainable Development Goals commits Member States to the achievement of universal health coverage, including financial risk protection, access to quality essential health-care services and safe, effective, quality and affordable essential medicines and vaccines for all. Target 3.c also commits States to substantially increase health financing and the recruitment,

[12] See, for example, the article by experts at the United Nations University: Franziska Gassmann, Andrés Mideros and Pierre Mohnen, "Estimation of rates of return on social protection: ex ante microsimulation of social transfers in Cambodia", *Journal of Development Effectiveness*, vol. 8, No. 1 (2016), pp. 67-86.

[13] Lant Pritchett and Lawrence H. Summers, "Wealthier is healthier", *Journal of Human Resources*, vol. 31, No. 4 (1996), pp. 841-868.

development, training and retention of the health workforce in developing countries, especially in the least developed countries and small island developing States.

Supporting opportunities and access to education and learning

68. Education plays a significant role in poverty eradication. Attaining education increases productivity, raises the earnings potential of individuals and their overall standard of living. The chances of a person being poor diminish significantly with higher levels of educational attainment; a lack of education is a key determinant of income and non-income poverty.

69. Countries have implemented a variety of strategies that address the multiple underlying causes of low educational attainment and the lack of educational opportunities. Such strategies include addressing economic and non-economic constraints relating to education, expanding access, improving the quality of education, building education and transportation infrastructure and investing in teachers.

70. Other countries have sought to ensure equal access by offering free education. The abolition of school fees has had the intended effect of vastly increasing access to education in countries such as Burundi, the Democratic Republic of the Congo, Ethiopia, Ghana, Kenya, Malawi and Mozambique.

71. Advancing opportunities for women and girls through the promotion of gender equality and girls and women's education needs to remain a priority. In particular, there are far fewer women than men who study science, technology, engineering and mathematics or who work in jobs requiring information and communications technology skills, such as computer scientists, computer engineers and developers of software, websites and mobile applications.

72. In addition to advancing opportunities for women and girls, culturally and linguistically adequate education contributes to overcoming discrimination and related social problems.

C. Environmental resources and resilience

73. Among the 767 million people who live below the poverty line, 70 per cent largely depend on natural resources for their livelihoods. Growing pressures on land and water have led to an unprecedented degradation of natural resources and damaging economic and social repercussions for the poor.

Ensuring access to land

74. Poverty eradication is directly linked to management of the planet's terrestrial ecosystems and the goods and services they provide. This has a direct bearing on efforts to ensure more equitable access to land and natural resources. Sustainable land management helps to integrate land, water, biodiversity and environmental management, while sustaining ecosystem services and livelihoods.

75. The degradation of arable land has a negative impact on the potential of agriculture to contribute to poverty eradication and sustainable development. In order to meet the food security needs of the world's growing population, efforts are needed to halt land degradation and to restore land already lost or degraded. Access to and use of arable land and rangelands are also challenged by environmental and social pressures, including deforestation, biodiversity loss, pesticide and chemical use and climate change.

76. Women's equal access to and control over resources, including land, varies widely. Though many indigenous peoples enjoy rights to ancestral lands, they often face challenges in the enjoyment of their rights.

77. Many of these challenges are largely recognized in the commitment made as part of target 1.4 of the Sustainable Development Goals to ensure equal rights to economic resources. Sustainable land management is also pivotal to the achievement of many Goals, including Goal 2 (food security), Goal 5 (gender equality), Goal 11 (making human settlements and cities inclusive) and Goal 15 (terrestrial ecosystems).

78. It is important to strengthen capacity at the individual, institutional and systemic levels for sustainable land management and rehabilitation. Successful sustainable land management requires proactive approaches that nurture home-grown food production and incorporate productive capacities that create employment and livelihoods and reduce conflicting land uses in productive landscapes.

79. Promoting a land-degradation neutral model of economic development is one possible option going forward. Land degradation neutrality is a goal which entails adopting sustainable land management policies and practices to minimize current, and avoid future, land degradation, as well as rehabilitating degraded and abandoned lands. This could effectively increase the pool of land resources available while reducing the detrimental impacts from environmental degradation on health, livelihoods and well-being.

Reducing vulnerability to climate-related extreme events and other disasters

80. A changing climate and rapidly growing vulnerability and exposure to disasters present the world with an unprecedented challenge. For many developing countries, which are both less able to cope with the increasing impact and more likely to be affected, the challenge is particularly severe. These countries face mounting losses from a range of natural hazards, from earthquakes and tsunamis to severe flooding, storms and drought, with the threat of decades of development progress being rolled back and poverty becoming entrenched. Meanwhile, climate change cuts across sectors, from agriculture to health, energy and water resources.

81. While linked to natural hazards, the actual impact of disasters is directly related to capacity shortfalls and development choices that increase vulnerabilities and expose people and communities to risk. Disasters are increasingly becoming a poverty trap in hazard-prone areas where persistent poverty and growing income disparities make communities less cohesive, less resilient and less well able to cope.

82. It is important to promote pro-poor and pro-growth adaptation and disaster risk reduction that encourages climate and disaster risk-informed development and livelihoods. That means supporting countries to integrate climate-related risks and opportunities into national planning and poverty reduction, while addressing the needs of more vulnerable groups. Capacity development lies at the heart of effective climate change adaptation.

D. Participation in decision-making

83. In order to be successful, poverty eradication efforts must be rooted in the principle of inclusion. Meaningful involvement of stakeholders in policy and programme formulation and implementation can significantly enhance the effectiveness of poverty eradication interventions.

84. Effective institutions are one of the key vehicles for the participation of stakeholders in decision-making in support of poverty eradication. There is therefore a need to develop capacity for institutions to support stakeholder engagement. It is also important for countries to engage stakeholders in the effective follow-up to and review of policies or interventions to ensure policy integration and results.

E. Systemic challenges and opportunities

85. The international community faces a very different set of development challenges in the second year of implementation of the 2030 Agenda. The Agenda is being implemented in the context of a shifting global environment and continued food, energy, financial, health and environmental challenges across countries, which amplify global systemic risks that may have far-reaching consequences for all countries and local communities.

86. In this context, international cooperation can promote coherence among different poverty eradication strategies and activities, facilitate inclusive cross-sector partnerships and provide capacity support. This may include ensuring better linkages between development, peace and humanitarian assistance and promoting systematic investment in building the resilience of countries and communities.

National ownership

87. Country ownership and government leadership are essential to effective implementation. National poverty eradication policies need to reflect a whole-of-government approach and be owned by all of society, through institutionalized participation that engages all stakeholders, including parliaments and civil society organizations.

88. Achieving genuine country ownership and alignment will require significant shifts in processes and behaviour. Long-term, programme-based policies can facilitate national ownership through the alignment of poverty eradication with national sustainable development strategies.

Global policy framework for poverty eradication

89. The 2030 Agenda serves as a global framework for developing policies to eradicate poverty in all its forms and dimensions. The Agenda commits the international community to bring global solidarity, international cooperation and collective action to new heights in pursuit of eradicating poverty.

90. At the national level, the policy implications involve a transformative focus on eradicating poverty, addressing the furthest behind and adapting institutions and policies in support of country priorities and systems. International policy implications involve promoting coherence among different development agendas and activities, facilitating of inclusive cross-sector partnerships and providing capacity support for policy coherence.

91. Follow-up and review are an integral part of the 2030 Agenda framework. All stakeholders have a collective responsibility for the follow-up to and review of progress towards Goal 1, with a strong focus on mutual learning and knowledge-sharing for better results. The accountability of Governments to the public provides the basis for effective follow-up to and review of progress at all levels and should be further strengthened, including through greater efforts to collect data.

International trade

92. The expansion of international trade has been essential to poverty reduction. Markets for goods and services have become increasingly integrated through a fall in trade barriers, with technology helping drive trade costs lower. The integration of global markets through trade openness contributes to poverty reduction. A sustained effort to deepen economic integration and lower trade costs is essential. Strong economic growth at the national level will be needed to achieve the end of poverty, and trade is an enabler of growth, opening up opportunities for new and better work for the poor. Although progress has been made in reducing trade costs and integrating low-income countries into the global economy, more needs to be done to ensure that they are deriving the development benefits of that progress.

Resources for poverty eradication

93. Stakeholders are advancing a joint, integrated implementation of the 2030 Agenda and the Addis Ababa Action Agenda. The two sets of commitments identify financial resources and the most important means of implementation for poverty eradication, such as capacity-building, technology development and transfer, policy change and multi-stakeholder partnerships. Increased public investment is not only a direct means to fight poverty, but a prerequisite for greater private sector activity.

94. Eradicating poverty requires the mobilization of finance from all sources, including domestic and international public finance, as well as private investments aligned with sustainable development. These financing flows are complementary, not substitutes for one another. For that reason, concessional international public finance remains critical in developing countries that are not currently able to mobilize sufficient finance domestically, in particular in the least developed countries.

95. Eradicating poverty will thus require making new investment choices and larger-scale investments, providing longer-term budget support and broadening multi-stakeholder partnerships at all levels. At the same time, the quality of the relationships between and among implementing partners is important.

96. Leaving no one behind means directing targeted assistance and providing sufficient resources and support to communities and countries with the least resources and weakest capacity, such as the least developed countries. Existing commitments on official development assistance (ODA) must be met. Despite increases in ODA in 2015, many donors still fall far short of commitments. ODA from members of the Development Assistance Committee of the Organization for Economic Cooperation and Development averaged 0.30 per cent of gross national income in 2015, the same level as in 2014, and significantly below the target of 0.7 per cent.

97. Official development assistance to the least developed countries averaged 0.09 per cent of gross national income in 2015, falling short of the lower bound of the United Nations target of 0.15 per cent. Nonetheless, this marked an 8 per cent increase in real terms over 2014, meeting the commitment made in Addis Ababa to reverse the trend of falling ODA to the least developed countries. A survey of donor spending plans through 2019 further suggests that flows to the least developed countries should continue to rise from 2017 to 2019. ODA should be further prioritized in its allocation and more effectively used to directly benefit those furthest behind.

98. Official development assistance can also be an important tool in areas such as domestic resource mobilization, strengthening statistical capacities and mobilizing public-private partnerships in developing countries. The catalytic use of ODA

should be closely monitored against its effectiveness in generating positive outcomes for poverty eradication and sustainable development, and not just in terms of increasing the volume of finance. Development cooperation has great potential for helping countries respond to market failures and asymmetric access to development opportunities and supporting national sustainable development strategies.

99. The growing and complementary contributions of South-South cooperation and triangular cooperation should also be further strengthened. South-South cooperation for poverty eradication provides additional resources and capacity and preserves policy and fiscal space for developing countries. Its long-standing conceptual framework is non-prescriptive, guided by the principles of respect for national sovereignty, national ownership and independence, equality, non-conditionality, non-interference in domestic affairs and mutual benefit. By virtue of its approach, it is capable of harmonizing diverse priorities among stakeholders and ensuring shared ownership and processes. These characteristics are evident, for instance, in the new development and infrastructure banks of the South, which merit further study to generate lessons and knowledge that are relevant for all actors in poverty eradication.

100. South-South cooperation has great potential to reduce asymmetries in access to poverty eradication opportunities and directly respond to local demands. The experience of South-South cooperation shows that the adoption of new policies based on the exchange of knowledge can have a significant impact towards poverty eradication. In this and other ways, South-South cooperation can contribute to increasing policy space. Such cooperation also recognizes the importance of localizing global goals, such as Goal 1, consistent with context-specific demands and levels of capacity to solve local problems. It should thus also be able to strengthen its contributions to creating an enabling environment based on multi-stakeholder partnerships, with the active participation of civil society.

101. The private sector should be more strategically engaged in development cooperation, including in the development and transfer of science, technologies and innovation, in favour of developing countries. Effective engagement of the private sector in poverty eradication begins with building genuine alliances between the public and private sectors on the basis of deeper mutual understanding. The private sector should take Goal 1 as an opportunity to rethink its approach to poverty eradication and sustainable development by aligning businesses with the priorities of the societies in which they operate.

IV. Key policy messages for effective poverty eradication

102. Throughout the 2017 session of the Economic and Social Council, the Council's system, including through its functional commissions and other expert bodies, has offered a broad range of policy messages. Experiences shared indicate that eradicating poverty is a prerequisite to building cohesive, peaceful and sustainable societies. The Commission for Social Development focused on poverty eradication through its priority theme, "Strategies for eradicating poverty to achieve sustainable development for all".

103. The Commission on the Status of Women focused on women's employment, which is critical for poverty eradication. The Commission on Population and Development noted the significance of addressing migration and social protection for poverty eradication. The Permanent Forum on Indigenous Issues included a particular focus on challenges faced by indigenous peoples with regard to poverty and marginalization. The Forum noted the need to improve indicators, household

surveys and other data collection tools to better reflect the situation of indigenous peoples. The Statistical Commission offered relevant insights for strengthening the measurement of poverty, in particular through the further development of the global indicator framework.

104. The Committee for Development Policy undertook analytical work on the graduation of countries from the least developed country category and the enhancement of economic productivity of developing countries, which is essential for effectively eradicating poverty at the national level. The Committee of Experts on Public Administration built on its expertise on institutional accountability to recommend ways to foster the building of strong and accountable institutions that can effectively support the 2030 Agenda and the overarching goal of poverty eradication. The United Nations Forum on Forests addressed the multifaceted role of forests in poverty eradication. The Commission on Narcotic Drugs took steps to align the outcome of the special session of the General Assembly on the world drug problem, held in 2016, entitled "Our joint commitment to effectively addressing and countering the world drug problem" (General Assembly resolution S-30/1) with the Sustainable Development Goals, including Goal 1. The Commission on Science and Technology for Development considered the main theme of poverty eradication through its priority themes of food security and new innovation.

105. Poverty eradication and pro-poor principles were identified by countries, during the 2017 session, as one of the main goals of their national agendas or long-term national strategies. Many countries have been implementing comprehensive and integrated strategies for poverty eradication. Others established holistic governance mechanisms to coordinate and create synergies among line ministries, with some pursuing strategies that consolidate poverty eradication programmes into one ministry. Some countries have integrated a multidimensional approach to poverty eradication in their national development plans.

106. Many countries adopted comprehensive and multidimensional strategies to address youth unemployment and underemployment. Investing in young people was seen as an effective way to eradicate poverty and improve their well-being. Entrepreneurship programmes can assist disadvantaged youth to move out of poverty, while public works schemes provide short-term income-generating opportunities.

107. Eradicating poverty requires efforts from all parts of government to construct a broad set of mutually reinforcing policies and strategies and leverage the synergies between them. More integrated approaches should be taken across sectors. National efforts to eradicate poverty must also be complemented by a favourable international environment, with support measures established at the international level, including in the framework of the United Nations.

108. The Economic and Social Council system has an important role to play in promoting support measures at the global level for the achievement of the Sustainable Development Goals at the national level. Through the normative and analytical work of the Council's various segments and forums, commissions and other expert bodies, the Council offers a holistic platform for countries and development partners to come together and address current and emerging challenges to poverty eradication and sustainable development.

V. Conclusions and recommendations

109. The following main conclusions and policy recommendations are submitted to the Economic and Social Council for its consideration:

(a) The 2030 Agenda recognizes that poverty is multidimensional and comes in different forms; the achievement of the interrelated Sustainable Development Goals and their targets will depend on the ability and willingness of countries and their development partners to harness interlinkages in pursuing the Agenda;

(b) Strengthened and increased collection, dissemination and use of data, as well as qualitative and quantitative research, are needed to ensure that the social and geographic distribution of poverty is well understood and informs evidence-based and data-driven efforts for poverty eradication, with the disaggregation of data forming an essential part of such efforts;

(c) A coherent set of policies at the national level are needed to support inclusive, broad-based economic growth, particularly through policies to strengthen infrastructure and human capacity; promote sustainable industrialization and enhance labour market and competition policies; and make trade, investment and economic integration more effective instruments of poverty reduction;

(d) Inclusive and broad-based growth must be bolstered and complemented by social protection, with social protection instruments being scaled up to support sustainable development and reduce the impact of economic fluctuations and environmental risks, as such social protection has a fundamental role in eradicating poverty by reducing economic insecurity and exclusion, as set out in target 1.3;

(e) Concrete measures to enhance inclusion should be taken as part of poverty eradication efforts, including through the establishment of participatory processes and institutionalized channels of public engagement, with such measures facilitating a shared understanding of the needs of those living in poverty and maximizing the impact of anti-poverty policies;

(f) Sustainable land management policies should be employed to integrate land, water, biodiversity and environmental management, with access to land and security of tenure being addressed, where needed, to meet rising food demands while sustaining ecosystem services and livelihoods;

(g) National action, development cooperation and multi-stakeholder partnerships can support capacity development for climate change adaptation and mitigation, drive progress and innovation, support emergency preparedness and resilience and bridge the transition from crisis response to recovery;

(h) International cooperation should be geared to promote coherence among different poverty eradication strategies and activities, facilitate inclusive cross-sector partnerships and provide capacity support;

(i) Leaving no one behind means directing targeted assistance and providing sufficient resources and support to countries and communities with the least resources and weakest capacity;

(j) The Economic and Social Council should provide clear direction and leadership for the United Nations development system and beyond, including in creating and realigning incentives for promoting synergy and collaboration in efforts towards eradicating poverty;

(k) The Council should also promote dialogue and knowledge-sharing with respect to development cooperation, including on South-South and triangular cooperation, as well as new modalities for financing, partnerships and other critical means for implementing the 2030 Agenda.